

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
AMARILLO DIVISION**

In re:	§	
	§	
McClain Feed Yard, Inc.	§	Case No. 23-20084-7-rlj
<i>Debtor.</i>	§	Chapter 7 Case
	§	
and	§	
	§	
McClain Farms, Inc.	§	Case No. 23-20085-7-rlj
<i>Debtor.</i>	§	Chapter 7 Case
	§	
and	§	
	§	
7M Cattle Feeders, Inc.	§	Case No. 23-20086-7-rlj
<i>Debtor.</i>	§	Chapter 7 Case

**LONE STAR STATE BANK'S RESPONSE TO RABO AGRIFINANCE, LLC'S
SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION OR THINGS IN A
BANKRUPTCY CASE, ADVERSARY PROCEEDING, OR CONTESTED MATTER**

1. All bank statements referring to, related to or evidencing the LSSB McClain Accounts created or generated during the Relevant Documents Time Period.

OBJECTIONS: All responsive bank statements end before July of 2018, and are therefore irrelevant.

RESPONSE: Counsel for Rabo AgriFinance has agreed that the responsive documents which exist are not relevant, and therefore do not need to be produced.

2. All records and documents during the Relevant Documents Time Period evidencing all financial transaction activities or transfers of funds, including checks, wire transfer records or other documents, evidencing or documenting the transfer of money or property in the LSSB McClain Accounts.

OBJECTIONS: All responsive bank statements end before July of 2018, and are therefore irrelevant.

RESPONSE: Counsel for Rabo AgriFinance has agreed that the responsive documents which exist are not relevant, and therefore do not need to be produced.

3. All records and documents during the Relevant Documents Time Period evidencing the transfer of funds into or out of the LSSB McClain Accounts.

OBJECTIONS: All responsive bank statements end before July of 2018, and are therefore irrelevant.

RESPONSE: Counsel for Rabo AgriFinance has agreed that the responsive documents which exist are not relevant, and therefore do not need to be produced.

4. All signature cards, account opening agreements, and other agreements or contracts governing the LSSB McClain Accounts.

OBJECTIONS: All responsive bank statements end before July of 2018, and are therefore irrelevant.

RESPONSE: Counsel for Rabo AgriFinance has agreed that the responsive documents which exist are not relevant, and therefore do not need to be produced.

5. All communications during the Relevant Communications Time Period between LSSB and the McClain Parties.

RESPONSE: Because the McClain parties had moved its loans to another bank before January 1, 2018, Lone Star State Bank found no responsive documents.

6. All communications between LSSB and any third parties during the Relevant Communications Time Period referring or relating to the McClain Parties or the LSSB McClain Accounts.

OBJECTIONS: Because all communications which were located by Lone Star State Bank either: 1) only mention the name of the McClain Parties, 2) are public documents (the CNS newspaper report) which only mention the McClain entities, 3) only mention that the McClain parties were no longer borrowers of Lone Star, 4) were communications with Lone Star's attorney (regarding the Subpoena), or 5) are involved with bank examinations (*Shirk v. Fifth Third Bancorp*, No. 05-CV-00049 2008 BL 141218 at *3 (S.D. Ohio July 2, 2008); *Seafirst Corp. v. Jenkins*, 644 F.Supp. 1160, 1162 (W.D. Wash. 1986) Lone Star objects to the production of any bank examination records or any other records within the scope of 31 U.S.C. § 5318(g)(2)(A)(i) as being privileged

RESPONSE: Subject to the foregoing objections, Lone Star has produced the email exchange between Kirk Thomas and Brad Johnson. LSSB/McClain 00001-6.

7. All LSSB internal communications during the Relevant Communications Time Period referring or relating to the McClain Parties or the LSSB McClain Accounts.

OBJECTIONS: Because all communications which were located by Lone Star State Bank either: 1) only mention the name of the McClain Parties, or 2) are public documents (the CNS newspaper report) which only mention the McClain entities, or 3) only mention that the McClain parties were no longer borrowers of Lone Star, or 4) were communications with Lone Star's attorney (regarding the Subpoena), or 5) are involved with bank examinations (*Shirk v. Fifth Third Bancorp*, No. 05-CV-00049 2008 BL 141218 at *3 (S.D. Ohio July 2, 2008); *Seafirst Corp. v. Jenkins*, 644 F.Supp. 1160, 1162 (W.D. Wash. 1986) Lone Star objects to the production of any bank examination records.

RESPONSE: After conferring with counsel, all responsive and privileged documents which were located were of no relevance, and with consent of Rabo Agri Finance's counsel, will not be produced.

8. All LSSB internal memorandums, decisions, meeting minutes, or other internal documents generated or created during the Relevant Documents Time Period referring or relating to the McClain Parties or the LSSB McClain Accounts.

OBJECTIONS: Because all communications which were located by Lone Star State Bank either: 1) only mention the name of the McClain Parties, or 2) are public documents (the CNS newspaper report) which only mention the McClain entities, or 3) only mention that the McClain parties were no longer borrowers of Lone Star, or 4) were communications with Lone Star's attorney (regarding the Subpoena), or 5) are involved with bank examinations (*Shirk v. Fifth Third Bancorp*, No. 05-CV-00049 2008 BL 141218 at *3 (S.D. Ohio July 2, 2008); *Seafirst Corp. v. Jenkins*, 644 F.Supp. 1160, 1162 (W.D. Wash. 1986) Lone Star objects to the production of any bank examination records, or any other records within the scope of 31 U.S.C. § 5318(g)(2)(A)(i) as being privileged.

RESPONSE: Nothing went through a loan committee, as the loans were all paid off.

9. All communications during the Relevant Communications Time Period between LSSB and Mechanics Bank referring to, relating to or concerning the McClain Parties or the LSSB McClain Accounts.

RESPONSE: No responsive documents were located.

10. All documents, communications or other records created or generated from or after January 1, 2023 referring or relating to business transactions between the McClain Parties,

including but not limited to all documents, communications or other records concerning Cattle sales.

OBJECTIONS: All responsive documents are covered by the attorney-client privilege.

RESPONSE: As all responsive documents are privileged under the attorney-client privilege, none will be produced.

DATED this 3rd day of October 2023.

Respectfully submitted,

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By: /s/ John H. Lovell
John H. Lovell

Attorneys for Loan Star State Bank

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was delivered via the Court's E-filing Service, on this 3rd day of October 2023, to:

Michael R. Johnson
Ray Quinney & Nebeker, P.C.
36 South State Street, Suite 1400
Salt Lake City, UT 84111

By: /s/ John H. Lovell
John H. Lovell

Attorney for Loan Star State Bank